

OTC Markets

Joining us a day is John Shaw the CEO and co-founder of Itaconix the trays on OTCQB Venture Market under the ticker ITXXF. Itaconix uses its proprietary plant-based polymer technology platform to produce and sell specialty ingredients that improve the safety performance and sustainability of consumer products. The company's current ingredients are enabling and leading a new generation of products in detergents hygiene and haircare. John thanks so much for joining us today.

John Shaw

Great to be here Cecilia thanks for having me.

OTC Markets

Absolutely so let's begin talk about your core mission, the markets you serve and the products and solutions you provide.

John Shaw

Well our core mission really is to bring safer economies for the low carbon economy and we do that with performance cost and sustainability. We start with plant-based carbon. Um, our materials are based on itconic acid which is a natural metabolite. It's found in the world. Our bodies actually produce it and it's actually is produced in industrial quantities where we purchase it on the open market and bring it into our production facility for our proprietary production process to make it into ingredients that are used in consumer products. The important part about it though is that idaconic acid is a very safe starting material. Um that ah in all the carbon in it. It's actually plant-based carbon. That's because somewhere out there. There's a corn plant that's getting through photosynthesis. It's absorbing carbon dioxide. Carbon dioxide is being turned into the carbon which is a sugar in the corn. Ah that corn is then used as the feedstock and these very large 7 story high industrial fermentation. Um, that's where the sugar and a organism are put into that. The organism eats the sugar and spits out idaconic acid very similar to how citric acid is produced commercially we take um we buy in that idaconic acid. We run it through our production process that we're the only producers of these polymers in the world.

John Shaw

And we turn them into valuable ingredients that can be used in everyday products to improve their performance. Ah their safety their cost and sustainability really better performance of it those products then go get um, put out back out into the

environment. They're very safe when they get out into the environment and eventually.

John Shaw

Ah, will biodegrade and turn you know, go back out into the atmosphere. So so in that way, we're creating a circular circularity of plant-based carbon which is really what we need um to create a low-carbon economy is to stop using fossil-based carbon. We're building taking carbon that's been stored underground for millions of years and bringing it up and it ending up in our atmosphere instead. You know we want to be able to create that circularity of plant-based carbon um and along the way make safer ingredients that are safer to. To us as humans and safer to the environment. So it's ah it's a very exciting mission that we're we're making major progress on.

OTC Markets

So it sounds like there's a very radical difference between what you provide versus the standard models, talk about that competitive advantage. Is there a price point or anything that actually you know makes you more unique and more ah better positioned in the market?

John Shaw

Well, the product polymers from itaconic acid have been pursued for well over sixty years the first company they tried to do to make these polymers was Pfizer back in 1960 then Roman Haas in the early nineties and the breakthrough we had when we founded the company with myself and Dr. avan durant is Dr. durant had come up with a I spent 4 years to figure out how to do to have the breakthrough in the production economics of these polymers and that's the founding basis for the company. Um, but underlying it is that itaconic acid and the functionality. What could do has about a \$20000000000 potential for safer ingredients across many different markets anything from consumer care composites paints and coatings food and agriculture water solutions hygiene. All these areas where right now acrylic fossil based acrylic acid and fossil based styrene are used itaconic acid though. Um one is that it's from a plant-based feedstock. So all the carbon comes from plants and second of all the mammalian and environmental. Ah. Toxicity of is much much less. So when you think about the train derailment that happened in ohio back a few months ago that was butyl acrylate. Um that dumped out into the environment I think we can go through and introduce safer chemistries.

Podcast

John Shaw

Would not be is difficult for the world to do and do it in a way that's very cost effective. So um, there are very good targets that we have of we're acrylic acid and styrene you use it. The \$20000000000 potential Cecilia of which we've already carved out about \$2000000000 of specific ingredients and applications that we're going after.

OTC Markets

And yet to expand on that. How is the new global low carbon economy shifting consumer behavior as a whole?

John Shaw

The first phase of development in our current phase of development in what we're doing in cleaning hygiene and and beauty care. We're really bringing novel performance to customers. So we are not asking for any. Sort of sustainability aspect but in in specific product categories like hair care and hairs styling. We bring a unique property to of weightless hair styling in odor control. We bring novel properties to it where we instantly can neutralize odors. Without leaving any sort of residue negative residue into in the environment in it and then our biggest area is actually in automatic just detergent ponds when when they went to non-phosphate detergents because we did not want phosphates going out into the environment. We're leading replacement for phosphates in that. So just those 3 applications are driving our current growth. Um, and but the behavior and is still people looking for novel performance the next stage of growth and we're going to be a very nice large company profitable company that we're well on our way of becoming that the next stage of development for us. Is to go after ah, bigger applications and that's where the shifting consumer behavior is in our favor we have a plant-based superabs absorbent and we have plant-based coatings that we can do so we can make a plant-based um, paint interior paint. You know so you could sequester. Um.

John Shaw

Plant-based carbon on your walls for the next twenty years and that's really where we see our our big opportunity to go from. You know, a nice profitable company to a very large company is the ability to bring that plant-based carbon into important product categories where consumers are not being asked to pay. Huge premiums but they also are getting the benefits of of that low cost of that low carbon economy.

OTC Markets

With your home country market in the UK on the LSE and you cross trade here on the OTCQB Venture Market here in the US tell about your goals about expanding your US investor base.

John Shaw

About a third of our or a third to a quarter of our shares right now are held by us shareholders that's ah just how the company developed I'm a large shareholder myself so about 20 or 25% are there. It's a natural market for us. Um, we been excited to be cross-trad here. We just did a consolidation of our share so that our share price is now about one ah hundred and fifty pence which makes it far easier for us investors to hold us in their brokerage accounts. So. We are making making major moves to make it easier and better for us traders to invest in the company and I think it's a great opportunity there. We have the integrity of of a very nice recurring revenue base. We're growing 30 to 40% a year we have um, just completed a fundraise. We have \$11000000 in cash on the balance sheet all the cash that we need and all this major expansion and I think that's what us shareholders are looking for opportunities like that where we are creating investing in the low carbon economy but not asking consumers. Um, for major handouts or or major premiums for people to do that I think it's very appealing in the us market I think we will start finding natural markets for people in the us that want to trade in these kind of shares.

OTC Markets

Well John it's been a pleasure to speak with you. Thanks so much for your story.

John Shaw

Thank you Really appreciate being here.

OTC Markets

Absolutely Itaconix trades under the symbol ITXXF on our OTCQB Venture Market.

**This is an autogenerated transcript and may contain typos.*